

UPDATE

WINNERS III

SECOND HALF 1992 REVISION

R.J. Reynolds Tobacco Company is pleased to announce second half revisions to the Winners Program that will help your bottom line. The revisions are as follows:

- Maximum per case payment potential increased to \$6.00. New payment schedule is set forth below:

WINNERS MAXIMUM PER CASE PAYMENT COMPARISON		
	<u>Current</u>	<u>NEW</u>
FINANCIAL	\$3.00	\$2.50
PROMOTION/DISTRIBUTION	\$2.00	\$2.00
TEAMWORK BONUS	N/A	\$1.50
TOTAL	\$5.00*	\$6.00*

*Per 12M shipping case. 6M cases paid at 50% rate.

FORSYTH TOBACCO PRODUCTS

- All Forsyth Tobacco Product units will be included in all aspects of Winners.

TEAMWORK BONUS

To receive this bonus, you must do the following:

- Earn the \$2.50 per case financial payment and the \$2.00 promotion/distribution payment (total \$4.50).
- Provide RJR a fair opportunity to meet competitive programs offered by other cigarette manufacturers to you or your customers.
- Provide RJR products an opportunity for distribution to your customers that is equivalent to the opportunity provided to competing products.
- Promote and encourage the sale and distribution of RJR products at least to the same extent you promote competing products.

FINANCIAL PAYMENT

- \$1.00 – maintain average pay days at 10 days or less (including Forsyth Tobacco Products).
- OR –
- \$2.50 – participate in RJR's Electronic Funds Transfer (EFT) Program at a minimum rate of 75% based on dollar amount of purchases (including Forsyth Tobacco Products).

NOTE: Extended dating purchases will continue to be included in the case purchase calculation but excluded from the determination of average pay days and also the 75% rate of EFT dollar purchases.

All other provisions of the Winners III program will remain the same.

THE PARTNERSHIP THAT PAYS.

WINNERS III

ACCOUNT NAME: _____

FIRST HALF 1992 PROJECTED EARNINGS

First Half 1992 Cases Purchased (excluding Forsyth Tobacco Products)

- Promotion/Distribution: _____ cases X \$2.00 = \$ _____
- Financial: _____ cases X _____ = \$ _____

TOTAL \$

SECOND HALF 1992 EARNINGS POTENTIAL

PROMOTION/DISTRIBUTION

(Applies to Ship-to Locations)

Location	Qualifies	Performance	1st Half 1992 Cases Purchased (Incl. Forsyth)		Payment
_____	<u>Yes</u>	<u>Yes</u>	_____	X \$2.00	\$ _____
_____	<u>Yes</u>	<u>Yes</u>	_____	X \$2.00	\$ _____
_____	<u>Yes</u>	<u>Yes</u>	_____	X \$2.00	\$ _____
_____	<u>Yes</u>	<u>Yes</u>	_____	X \$2.00	\$ _____
_____	<u>Yes</u>	<u>Yes</u>	_____	X \$2.00	\$ _____

TOTAL PROMOTION/DISTRIBUTION PAYMENT \$

FINANCIAL

(Applies to Paying Office)

Payment Options:

10 day: \$1.00 X _____ cases = \$ _____

OR

75% EFT: \$2.50 X _____ cases = \$ _____

TOTAL FINANCIAL PAYMENT \$

TEAM WORK BONUS

1st Half 1992 Cases Purchased _____ X \$1.50 = \$

SECOND HALF 1992 WINNERS EARNINGS POTENTIAL \$

THE PARTNERSHIP THAT PAYS.